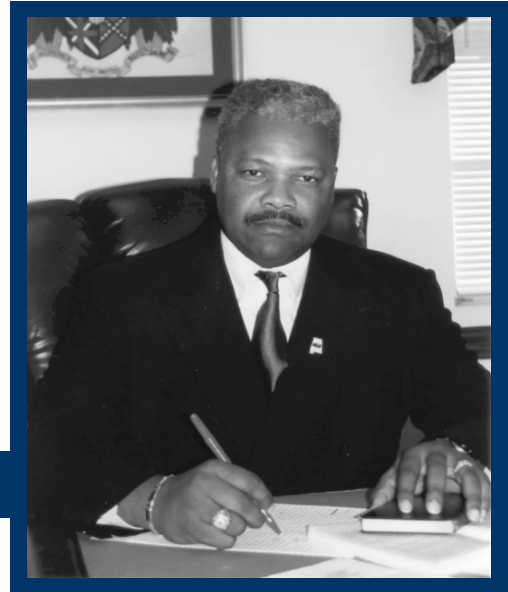




Alabama Department of Industrial Relations



Alice McKinney, Director



James Fields, Assistant Director



An Open Letter from Governor Don Siegelman to DIR Employees



A primary focus of my administration is economic development and industrial recruitment. Creating a climate where business and industry feel welcome and promoting Alabama's outstanding workforce are key to attracting quality jobs to our state and enhancing the quality of life for all of us.

A recent profile in *Business Week* magazine highlighted our stellar success in attracting automotive manufacturing companies to Alabama. In the midst of an uncertain and unpredictable national economy, our hard work recruiting business and industry has paid off, resulting in the creation of over 70,000 new jobs for Alabama workers.

I know that the Alabama Department of Industrial Relations, through its Employment Service, has done a wonderful job in helping to staff these new automobile industries. As wonderful and exciting as this new automobile industry recruitment has been, I also want to recognize the work of the Unemployment Compensation Division. When jobs are lost, unemployment compensation benefits have been there to help eligible Alabamians get back on their feet. DIR employees help Alabamians on so many fronts - from administering workers' compensation for those who have been injured on the job, to providing labor market information to job seekers and employers, to mining safety and mining reclamation programs, and then there are all those employees providing support services for these operational programs.

Your Director, Alice McKinney, has informed me that Alabama's jobless rate for June is only 5.4 percent. This is our second lowest jobless rate this year and also the fourth time Alabama's jobless rate has fallen below the national unemployment rate. At a time when many other states are witnessing high unemployment rates and many citizens have to tighten their belts to deal with economic realities, Alabama has had steady success in creating new, quality jobs. We will continue to work hard to attract new companies to Alabama and to ensure a brighter future for our families.

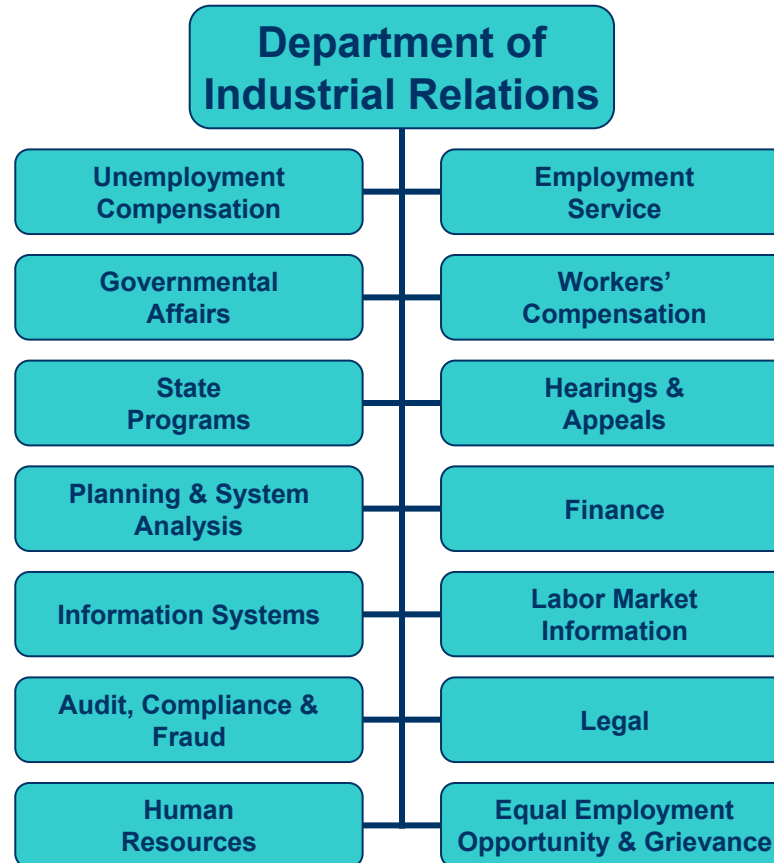
I want to commend all the dedicated employees at the Department of Industrial Relations for their hard work in helping move Alabama forward. Rest assured, it makes a real difference in the lives of Alabama families. Best wishes and keep up the great work!

Don Siegelman
Governor

A Partner in Alabama's Career Center System



Department of Industrial Relations



A Partner in Alabama's Career Center System



I. Unemployment Compensation

James Webb, Director

- **Increase in UC benefits**
 - July 1, 2002
 - Increase from \$190.00 to \$210.00
- **“Reed Act” money--\$94 million deposited in UC Trust Fund**
 - Stabilizes Employer Taxes for 2 years
 - Paid for Benefit Increase
 - Improves Trust Fund Solvency
- **Temporary UC benefits—TEUC**
 - 13 weeks of UC benefits
 - Over \$54 million
- **Regular UC Benefits—over \$1 billion paid**
- **TRA –Trade Re-Adjustment Act**
- **TAA-Trade Assistance Act**



UC...continued

- **May 2001 Governor Siegelman signs into law...**
 - National Guard & Reservist drill pay exemption.
 - Eliminate disqualification of severance pay.
 - Eliminate unemployment penalty tax on employers.
- **New Call Centers—**
 - To file UC claim 1-866-2FILE UC* {234-5382}
 - Birmingham Local Inquiry 458-2213 Toll Free {1-800-362-3905}
 - Decatur Local Inquiry 584-3740 Toll Free {1-800-361-1783}
 - Montgomery Local Inquiry 956-7301 Toll Free {1-800-361-4524}
 - Saraland Local Inquiry 665-3400 Toll Free {1-800-361-1884}
- **UC Direct Deposit.**
- **Electronic Filing of Partial Claims.**



II. Employment Service

Sylvia Williams, Director

- **Services**
 - Job Seeker Registrations: **859,251**
 - Job Openings: **328,137**
 - Referrals: **2,265,446**
 - Entered employments: **556,680**
 - Placements: **229,379**
- **Cost per employment is less than \$100.00 {one of nation's lowest}**
- **New Workforce Investment System & partnerships**
- **Extension of “Enhancement” Legislation**
 - Claimant assistance program
- **New Computer Operating System—”America’s Workforce System”**



Employment Service...continued

- **Resource Rooms in Local Offices**
 - Providing Internet & Resume writing services.
- **Dislocated Worker Rapid Response Team**
 - 278 companies.
 - Provided early assistance to 46,705 workers.
- **Workforce Investment Act (WIA) activities**
 - 51,555 JTPA/WIA Certifications.
 - Contracts with ADECA –training for youth, adults & dislocated workers.
- **Job Corps**
 - 3,778 Applicant Referrals.
 - 2,402 Applicant Arrivals.
- **Food Stamps—61,927 Referrals by DHR to Employment Services**



Employment Service...continued

- **WOTC & Welfare to Work Tax Credits**
 - 16,016 individuals certified for WOTC eligibility—over \$38,000,000 in tax credits to employers.
 - 1,540 individuals certified for Welfare to Work—over \$13,000,000 in tax credits to employers.
- **Foreign Labor Certification**
 - 1,900 Applications.
 - 2,429 Prevailing Wage Requests.
- **Services to Veterans**
 - Over 100,000 veterans and eligible family members.
 - 47,500 entered employment.



III. Workers Compensation

Scottie Spates, Director

- **Ombudsmen Program.**
 - 6,961 cases—5,417 settled for 77.8% success rate.
- **Compliance—1,764 employers.**
- **1,350 Medical Dispute Resolutions.**
- **Min. Weekly Benefit: \$156.00**
- **Max Weekly Benefit: \$569.00**
- **1st Reports of Injury—over 30,000 per year.**
- **2001 Medical and weekly benefits total \$607 million.**
 - Medical—58%.
 - Compensation—38%.
 - Admin/Legal—4%.
- **Over 1,000 WC Adjusters trained per year.**



IV. Hearings & Appeals

Hoyt Russell, Director

- US DOL rated as one of the best in the country.
- 54,953 hearings and decisions.
- 14,852 appeals per year.
- 12 Hearing Officers.



V. Finance Division

Robert Langley, Director

- Strong Fiscal Management:
 - Rental cost for leased space below average for all state agencies.
- Central Office Expansion
 - Completed 40,000 square foot wing to Central Office.



VI. Labor Market Information

Doug Dyer, Director

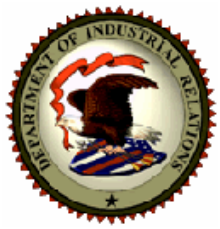
- **Employment Statistics System.**
- **Alabama's Comprehensive Labor Market Information System (ACLMIS).**
(www.dir.state.al.us/lmi)
- **Alabama's Regional Virtual One Stop.**
(www.alabamavos.org)
- **UI Trust Fund Estimates.**



VII. Legal Division

Frank Marsh, General Counsel

- Over 600 lawsuits to recover fraud and non-fraud overpayments of UC benefits.
- Defended 611 cases in Circuit Courts.
- 182 Motions filed to protect information.
- 210 tax appeals cases on UC tax assessments.
- 7 Surface Mining Act cases—compliance.



VIII. Audit, Compliance & Fraud

Larry Curvin, Director

- Established in June 1999.
- **Goal:** To combat fraud as it relates to departmental employees, programs, claimants, or providers.
- Assists Attorney General's Office in prosecution of WC fraud cases.
- Fraud Hotline 1-800-392-8019



IX. Information Systems

Tony Piel, Director

- Successful Y2K Conversion.
- Technical and Programming Support—
 - All DIR Programs.



X. Planning & System Analysis

Neil Smart, Director

- Operation of DIR Record & Form Management Programs.
- Operation of Microfilm System.
- Development and maintenance of DIR Policies and Procedures Manual.



XI. State Programs

Bill Guyette, Acting Director

- Abandoned Mine Land Reclamation (AML).
 - 102 abandoned mine projects completed.
 - 633 acres of mine spoils and coal refuse material returned to productive use.
 - 211 mine shafts, portals permanently closed.
 - 15 hazardous water bodies were backfilled.
 - 35 dangerous high walls eliminated.
 - 44 mine subsidence corrected.
 - 8 garbage dumps cleaned up.
 - 372,360 tree seedlings planted



State Programs...continued

- Mine and Safety Inspection
 - Coal mines inspected every 45 days.
 - Non-coal mines inspected every 180 days.
 - 3,105 miners employed
 - Producing 79 million tons of coal.
 - 1,362 miners employed in open pits and quarries (non-coal).
- Workplace Safety Awards
 - 425 awards presented to deserving employers.



State Programs...continued

- Surface Mining of Non-Fuel Minerals mined in all 67 Alabama counties.
- Sand, Gravel, Clay, Shale—examples of permits & properly bonded sites for reclamation purposes.
- Alabama Surface Mining Act of 1969
 - Amendment passed to tighten controls on non-fuel surface mines.
- First Non-Fuel Reclamation Project
 - 50 year old iron-ore strip pit in Pike County.
 - 1,100 foot high wall eliminated.
 - Area re-vegetated.



XII. Governmental Affairs

Craig Donley, Director

- **Board of Appeals—hear contested UC cases.**
 - 3 member Board appointed by Governor meeting in 7 cities.
 - 9035 cases filed
 - 8895 cases disposed
 - 140 cases pending
- **Legislation**
 - Reed Act. distributions.
 - UC Benefit Increase; Enhancement Extension.
 - Child Labor.
 - Surface Mining.
 - National Guard; Elimination of penalty tax; Elimination of severance pay disqualification.
 - Elimination of deduction of National Guard & Reservist drill pay from UC benefits.
- **Contract Review Committee**
 - Call Centers
 - “Tops”--Bancotec



Governmental Affairs Division



***Governmental Affairs Division
649 Monroe Street
Montgomery, AL 36131***

**Craig Donley, Director
(334)-242-8274
cdonley@dir.state.al.us**

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XIII. Human Resources Division

Erskine Banks, Director

- Administers Personnel operations, training, and public information functions to provide support for all divisions of the department
- Has conducted a series of employer training seminars statewide that over 3,000 Alabama employers have attended.



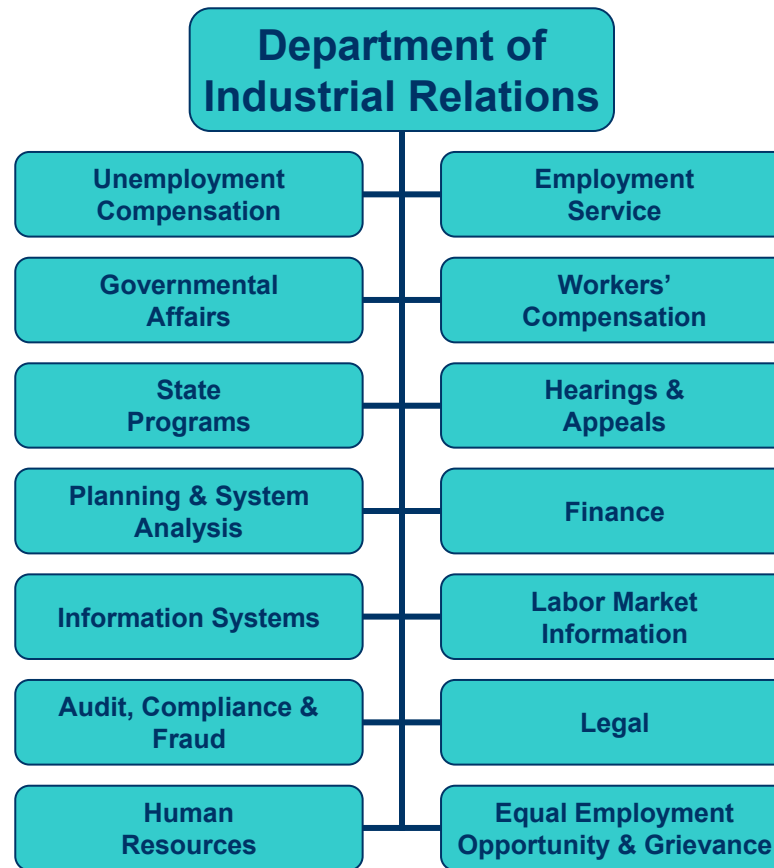
XIV. Equal Employment Opportunity and Grievance

Janice Henke, Director

- Ensures DIR complies with Federal equal opportunity laws and regulations.
- Conducts local office compliance reviews, receives and investigates, or participates in the investigation of complaints or grievances filled by DIR employees or customers.



Review of DIR divisions



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